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SUBJECT: EMBASSY MINSK BIWEEKLY REPORT - March 10, 2006

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MINSK 00000268 002 OF 004

#### [9. Pastor In Jail for Church Service](#)

A Minsk district judge on March 3 sentenced pastor of Christ's Covenant Reformed Baptist Church Georgy Vyazovsky to 10 days in jail for holding unsanctioned illegal services on February 5.

#### [10. ZUBR Activist Released, Immediately Sent Back to Jail](#)

A Minsk Judge on March 3 sentenced ZUBR activist Oleg Metelitsa to another 15 days in jail. On February 17, the judge sentenced Metelitsa to 15 days for disorderly conduct after police officers accused him of swearing and ignoring police warnings. Upon his release on March 3, a senior police officer and BKGB agent brought Metelitsa to a police station in Belynychy, Mogilev region for further questioning. When leaving the police station, two men who appeared to be intoxicated approached Metelitsa and dramatically fell. Belynychy's police captain and other security officials claimed Metelitsa pushed and insulted one of the men. Metelitsa was escorted back to the police station and immediately sentenced to an additional 15 days for disorderly conduct. Metelitsa was not allowed a lawyer or witnesses on his behalf.

#### [11. Skrebets Transferred to Hospital](#)

On March 7, jailed opposition activist Sergey Skrebets, who is serving 2.5 years in prison for alleged bribery, was transferred to a prison hospital for gout. Skrebets' health has been deteriorating since his arrest in May 2004 after numerous hunger strikes.

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Civil Society  
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#### [12. Pro-democratic Retirees Hold Conference](#)

The association of pro-democratic retirees "Seniors" held a founding conference on February 26 in which 50 people attended. Delegates from all regions formed the organization's board of 19 people and retired engineer Vladimir Romanovsky was elected chair. Romanovsky said "Seniors" would defend the social and economic rights and interests of retired workers and take care of future generations, concentrating its efforts on advancing the interests of retirees. The organization would fight pension reduction and campaign to compensate people for their depreciated bank deposits. Opposition activist Valery Shchukin maintained that the organization would remain non-political and

non-profit.

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Economy  
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¶13. Economy Off To Great Start

Prime Minister Sergey Sidorsky on February 28 told cabinet members that GDP growth increased 10.2 percent since January 1 while industrial and agricultural output increased 11 to 12 percent. Sidorsky complimented the performance of major and medium-sized enterprises for not allowing unsold goods to account for 50 percent of the monthly output. Consumer prices rose 1.3 percent in January and 0.3 percent in the first three weeks of February. Local government officials who let consumer prices rise were dismissed from their posts.

¶14. Stock Inventories Up

The Ministry of Statistics on March 2 announced that industrial companies' finished stock in January increased 12 percent to USD 1.07 billion. Overstocks accounted for 53 percent of average monthly production volume, up 52 percent since January ¶1. Refrigerator and freezer inventories increased 127 percent in January to 20,000 units. Tire inventories increased 29.7 percent to 28,000 units, chemical fiber inventories increased 20.3 percent to 20,700 tons, and television inventories increased 280 percent to 98,000 units. Meanwhile, truck inventories decreased 16.7 percent to 500 vehicles, mineral fertilizer inventories declined 10.5 percent to 19,700 tons, sugar inventories fell 56.2 percent to 22,600 tons, and tractor inventories remained at 2,600 units.

¶15. Plans to Reduce Energy Consumption

The Council of Ministers' Energy Efficiency Committee on March 1 revealed plans to reduce GDP energy consumption from the current 460 kilograms of fuel per USD 1,000 to 280 kilograms per USD 1,000 by 2011. According to the Committee, average world fuel consumption per USD 1,000 of GDP is 250 kilograms. The GOB plans to spend USD 700 million on energy-saving

MINSK 00000268 003 OF 004

programs in 2006 and meet 25-30 percent of its energy requirements using local fuels. On February 27, the Housing Ministry introduced plans to convert 200 central heating plants to local fuels in 2006, resulting in produced heat equivalent to 438,600 tons of coal.

¶16. Several Industries Bankrupt in 2005

The Ministry of Statistics reported on February 28 that 123 enterprises ended 2005 with USD 38 million in losses. Timber, woodworking and paper industries had the worst performance, posting a USD 13 million loss. Metalworking and machine-building industries lost USD 8 million and the food-processing industry finished with USD 7.4 million in losses.

¶17. Average Pay Decreases

On March 8, the Ministry of Statistics reported that Belarus' real average pay decreased 9.1 percent in January alone. The average before-tax monthly pay fell 7.7 percent from USD 261 to USD 241, but consumer prices increased 1.3 percent. Belarus' real average pay increased 19.7 percent in 2005.

¶18. Italy Scraps Investment in Brest

On March 8, Italy's Bialetti Industries abandoned plans to build a USD 3.5 million coffee machine plant in Brest, creating 200 jobs. According to director of Bialetti Brest Ivan Vasilevich, Bialetti's original plan was to start manufacturing coffee machines and aluminum non-stick kitchenware in March 2005 in Brest's Free Economic Zone (FEZ). However, the project was delayed after Bialetti did not approve of the business

premises offered by the FEZ authorities. According to Vasilevich, the Belarusian industry ministry offered a vacant building belonging to the Tsvetotron factory with a floor space of 3,000 square meters for USD 350,000. However, the price rose to USD 450,000 at an auction during which the investor planned to buy it. The GOB made a third offer shortly afterward, but Bialetti Industries announced it would terminate its project because of "economic inexpedience." Vasilevich called the decision a surprise, as the FEZ authorities "provided every kind of assistance."

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Military  
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#### 19. Lukashenko Confirms Purchase of SU-30K Jets?

During a February 24 visit to the Suvorov Military Academy, President Lukashenko announced Belarus would modernize and re-equip its air defense system, specifically by purchasing SU-30K fighter jets. In early February, a Russian newspaper reported that Belarus paid India USD 300 million for 18 Russian-made SU-30K fighters. The Defense Ministry immediately denied the report, claiming it had not heard such reports and insisting that the Security Council's 2006 budget did not provide for such a purchase.

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Information  
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#### 20. More Radio Broadcasts

On February 27, the Lithuanian-based radio station Baltic Waves began broadcasting independent news to Belarus. The hour-long broadcasts, in Belarusian and Russian, include news and music. Baltic Waves is financed by part of a USD 2.4 million EU program to support Belarusian journalists and to promote independent media.

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Sports  
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#### 21. Sports Minister Blames Canada and U.S. for Belarus' Failure

Sports Minister Aleksandr Grigorov on February 24 blamed a U.S. Olympic Judge of the freestyle skiing competition for depriving Belarusian Olympian Dmitry Dashchinsky of the gold medal. Dashchinsky won the silver after finishing two points behind gold medallist Han Xiaopeng of China. Dashchinsky led the competition until he landed poorly in the first jump of the final. According to Grigorov, Dashchinsky performed "just as well" as the Chinese gold medallist, and blamed his loss on U.S. and Canadian judges whose attitudes were "absolutely clear." Grigorov also blamed Austria for Belarus' cross-country skier Sergey Dolidovich's 12th place finish. According to Grigorov, Dolidovich would have placed in the top three, but three kilometers from the finish, he suspiciously broke his

MINSK 00000268 004 OF 004

pole after crashing into the Austrian coach who had been "watching Dolidovich, viewing him as one of their rivals." Belarus' Olympic team won only one medal, drawing severe criticism from Lukashenko.

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Quote of the Week  
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#### 22. Lukashenko used his first speech at the Third All Belarusian Assembly on March 2 to counter Kozulin's criticism of the President's role as a family man:

"I am not an example to follow [regarding family life], everybody knows this. Unlucky would be the woman, even the top model in the

world, if she lived with the President of Belarus, because I have not had anything but this country and this exhausting hard work."

¶23. During his second speech to the Third All Belarusian Assembly on March 3, Lukashenko lambasted Belarusian Olympians for their poor performance at the Turino Games:

"We gave you all the much financial help you asked for and it was nauseating to watch you compete. Our country will not tolerate any more disgraces."

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